

SERFF Tracking #:

CFAP-128973148

State Tracking #:

Company Tracking #:

State: District of Columbia

Filing Company: CareFirst BlueChoice, Inc.

TOI/Sub-TOI: HOrg02G Group Health Organizations - Health Maintenance (HMO)/HOrg02G.003C Large Group Only - HMO

Product Name: HealthyBlue HMO

Project Name/Number: /

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		HealthyBlue HMO RatesDC/CFBC/HB/HMO EOC (1/13)	DC/CFBC/HB/HMO EOC (1/13), DC/CFBC/HB/HMO DOCS (1/13), DC/CFBC/HB/HMO SOB (1/13), DC/CFBC/HB/HMO/WELLNES S (1/13), DC/CFBC/HB/HMO/IPP GRP (1/13), DC/CFBC/HB/HMO/IPP MEM (1/13)	New		BC_51+_HB20_NetworkChanges_Rates.pdf,

Healthy Blue Rates

Network: Healthy Blue HMO Lock-In (HMO in network, no out of network)

		HRA	HSA
NonCDH	\$300 Deductible	\$ 294.16	
	\$500 Deductible	\$ 282.58	
	\$1000 Deductible	\$ 260.57	
CDH (Int HRA/HSA)	\$1500 Deductible	\$ 264.74	\$ 245.13
	\$2000 Deductible	\$ 238.21	\$ 220.56
	\$2500 Deductible	\$ 210.37	\$ 194.78

Network: Healthy Blue HMO Advantage (HMO + Blue Card in network,

		HRA	HSA
NonCDH	\$300 Deductible	\$ 362.89	
	\$500 Deductible	\$ 349.59	
	\$1000 Deductible	\$ 318.26	
CDH (Int HRA/HSA)	\$1500 Deductible	\$ 327.53	\$ 303.26
	\$2000 Deductible	\$ 294.71	\$ 272.86
	\$2500 Deductible	\$ 260.26	\$ 240.97

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Supporting Document Schedules

Satisfied - Item:	Cover Letter All Filings
Comments:	Covered in the Actuarial Memorandum and Actuarial Justification sections.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Certificate of Authority to File
Bypass Reason:	Filing not done by a third party.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	BC_DC_51+_HB2 0_NetworkChanges.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Justification
Comments:	
Attachment(s):	Actuarial Certification DC HB Filing.pdf
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
Bypass Reason:	Not a P&C filing
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
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Product Name:	HealthyBlue HMO		
Project Name/Number:	/		

Bypass Reason:	Not a P&C filing
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Consumer Disclosure Form
Bypass Reason:	Initial submission.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Actuarial Memorandum and Certifications
Bypass Reason:	No Unified Rate Review Templates submitted.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Unified Rate Review Template
Bypass Reason:	This is a large group filing.
Attachment(s):	
Item Status:	
Status Date:	

CareFirst BlueCross BlueShield (BlueChoice)
New Products for 51+ Non-MSGR HealthyBlue HMO Rate Filing Effective 04/2013
Rate Filing Summary

This submission pertains to the 51+ Non-MSGR business of CareFirst BlueChoice, Inc.

Included in this submission are benefit descriptions, rate derivations, and proposed rates for two new network options and copay changes for HealthyBlue 2.0 benefit designs. Each option will be offered as standalone medical coverage and with integrated deductibles for HSAs.

HealthyBlue is a product line which encourages both healthier lifestyles and greater PCP coordination of care. The original HealthyBlue options were offered beginning 10/1/2010, and non-CDH HealthyBlue 2.0 options were introduced effective 12/1/2011. Three additional HB 2.0 benefit designs were offered after 8/1/2012. The new benefits outlined in this filing will allow CareFirst BlueChoice to vary the existing HB 2.0 ratings to reflect different networks of providers. The existing HB 2.0 options do not have credible experience. As of now, we do not anticipate needing to change the rate relativity of HealthyBlue 2.0 or the rating for HealthyBlue Advantage. It is assumed that these rates will move in lockstep with HB 2.0.

The new HealthyBlue rates were derived from the HealthyBlue 2.0 rates that were approved in CFBC-128232518. The relative values of the proposed benefits/networks relative to the existing HealthyBlue products are shown in the table below. As a part of this filing, we are changing the existing version of HB 2.0 to differentiate specialist copay based on site of service. We do not expect this change to have a material impact on rates. The HealthyBlue HMO rates are pegged off the existing HealthyBlue 2.0 product and the HealthyBlue HMO Advantage rates are pegged off the existing HealthyBlue Advantage product.

	Product	Base Rate	Relative to Existing HB	Network
Existing	HealthyBlue 2.0	\$ 317.34	1.00	BlueChoice w/OON
	HealthyBlue 2.0 HSA	\$ 264.44	1.00	BlueChoice w/OON
	HealthyBlue Advantage	\$ 397.05	1.00	BlueChoice & BlueCard w/OON
	HealthyBlue Advantage HSA	\$ 331.81	1.00	BlueChoice & BlueCard w/OON
New	HealthyBlue HMO	\$ 294.16	0.93	BlueChoice
	HealthyBlue HMO HSA	\$ 245.13	0.93	BlueChoice
	HealthyBlue HMO Advantage	\$ 362.89	0.91	BlueChoice & BlueCard
	HealthyBlue HMO Advantage HSA	\$ 303.26	0.91	BlueChoice & BlueCard

HealthyBlue options will follow our currently filed 51+ rating formula. HealthyBlue will be another Point of Enrollment (POE) option in addition to the current options. This means that when employers are choosing medical benefits to offer their employees, they can choose to offer a HealthyBlue benefit alone or in combination with other CareFirst medical benefits. This allows each employee the option to choose the benefit closest to his or her needs. As with other BlueChoice products, the current POE rating factor will apply.

The form numbers associated with the new network options for Healthy Blue 2.0 are as follows:

The CFBC SERFF tracking number is CFBC-128890403.

The following forms will make up the CFBC HealthyBlue HMO contract:

DC/CFBC/HB/HMO IPP GRP (1/13)
DC/CFBC/HB/HMO IPP MEM (1/13)
DC/CFBC/HB/HMO EOC (1/13)
DC/CFBC/HB/HMO DOCS (1/13)
DC/CFBC/HB/HMO SOB (1/13)
DC/CFBC/HB/WEALTHINESS (R. 7/13)

CAREFIRST BLUECROSS BLUESHIELD (BLUECHOICE)
New Products for 51+ Non-MSGH HealthyBlue HMO Rate Filing Effective 04/2013

This submission pertains to the 51+ Non-MSGH business of CareFirst BlueChoice, Inc.

Benefit Summary

<u>Existing Base Option</u>		<u>Proposed HealthyBlue 2.0</u>	<u>New Options</u>			
HealthyBlue 2.0		HealthyBlue 2.0	HealthyBlue HMO	HealthyBlue HMO Advantage	HealthyBlue HMO HSA	HealthyBlue HMO Advantage HSA
In-Network	BlueChoice Network	BlueChoice Network	BlueChoice Network	BlueChoice Network Blue Card PPO	BlueChoice Network	BlueChoice Network Blue Card PPO
In Area	None	None	None	Yes	None	Yes
PCP Required	Yes	Yes	Yes	Yes	Yes	Yes
Referrals Required	No	No	No	No	No	No
Individual Ded	\$300	\$300	\$300	\$300	\$1,500	\$1,500
Individual OOP Max	\$2,000	\$2,000	\$2,000	\$2,000	\$4,000	\$4,000
Routine Physical	No Charge	No Charge	No Charge	No Charge	No Charge	No Charge
PCP Copay	No Charge	No Charge	No Charge	No Charge	Ded, then No Charge	Ded, then No Charge
Spec Copay - Stand Alone Office	\$30 Copay	\$25 Copay	\$30 Copay	\$30 Copay	Ded, then \$30 Copay	Ded, then \$30 Copay
Spec Copay - Facility Based Office	Ded, then \$300 Copay	\$50 Copay	\$50 Copay	\$50 Copay	Ded, then \$50 Copay	Ded, then \$50 Copay
Diagnostic/Lab Tests & X-Ray (DXL)	No Charge	No Charge	No Charge	No Charge	Ded, then No Charge	Ded, then No Charge
Inpatient Facility Copay	Ded, then \$300 Copay per Admission	Ded, then \$300 Copay per Admission	Ded, then \$300 Copay per Admission	Ded, then \$300 Copay per Admission	Ded, then \$300 Copay per Admission	Ded, then \$300 Copay per Admission
Inpatient Professional Copay	Ded, then No Charge	Ded, then No Charge	Ded, then No Charge	Ded, then No Charge	Ded, then No Charge	Ded, then No Charge
Outpatient Facility Copay - Surgery @ Hospital	Ded, then \$300 Copay	Ded, then \$300 Copay	Ded, then \$300 Copay	Ded, then \$300 Copay	Ded, then \$300 Copay	Ded, then \$300 Copay
Outpatient Facility Copay - Surgery @ ASC	Ded, then \$300 Copay	\$100 Copay	\$100 Copay	\$100 Copay	Ded, then \$100 Copay	Ded, then \$100 Copay
Outpatient Facility Copay - All Other Services	Ded, then \$300 Copay	\$50 Copay	\$50 Copay	\$50 Copay	Ded, then \$50 Copay	Ded, then \$50 Copay
Outpatient Professional Copay	Ded, then No Charge	Ded, then No Charge	Ded, then No Charge	Ded, then No Charge	Ded, then No Charge	Ded, then No Charge
ER Subject to Ded	No	No	No	No	Yes	Yes
ER Copay (waived if admitted)	\$200	\$200	\$200	\$200	Ded, then \$200 Copay	Ded, then \$200 Copay
UC Copay (Participating)	\$50	\$50	\$50	\$50	Ded, then \$50 Copay	Ded, then \$50 Copay
Out-of-Network	Yes	Yes	None	None	None	None
Out of Area	Yes	Yes	None	None	None	None
PCP Required	No	No				
Referrals Required	No	No				
Individual Ded	\$1,000	\$1,000				
Individual OOP Max	\$4,000	\$4,000				
Routine Physical	Ded, then No Charge	Ded, then No Charge				
PCP Copay	Ded, then \$50 Copay	Ded, then \$50 Copay				
Spec Copay	Ded, then \$50 Copay	Ded, then \$50 Copay				
Diagnostic/Lab Tests & X-Ray (DXL)	Ded, then No Charge	Ded, then \$50 Copay				
Inpatient Facility Copay	Ded, then \$500 Copay per Admission	Ded, then \$500 Copay per Admission				
Inpatient Professional Copay	Ded, then \$50 Copay	Ded, then \$50 Copay				
Outpatient Facility Copay - Surgery	Ded, then \$500 Copay	Ded, then \$500 Copay				
Outpatient Facility Copay - All Other Services	Ded, then \$500 Copay	Ded, then \$500 Copay				
Outpatient Professional Copay	Ded, then \$50 Copay	Ded, then \$50 Copay				
ER Subject to Ded	No	No				
ER Copay (waived if admitted)	\$200	\$200				
UC Copay (Participating)	\$50	\$50				
Rx Coverage: Not integrated with Medical			Not integrated with Medical	Not integrated with Medical	Integrated with Medical 0/25/45 after the deductible is met	Integrated with Medical 0/25/45 after the deductible is met
Premium	\$317.34		\$294.16	\$362.89	\$245.13	\$303.26

Note: Deductibles & Out-of-Pocket Max listed are for individual tier. Amounts doubled for all other tiers.

HEALTHYBLUE HMO AND HMO Advantage

51+ Non-MSGF Fully Insured Groups

Network Relativity Derivation

	Local						Out of Area				Network Relativity	Network Relativity (Rescaled)
	% Local	% OOA	% In Network	% OON	In Net Factor	OON Factor	% In Network	% OON	In Net Factor	OON Factor		
HealthyBlue HMO Lock In (OpenAccess)	100%	0%	100%	0%	1.00	1.40	n/a	n/a	n/a	n/a	1.00	0.93
HealthyBlue 2.0 (HMO Opt Out)	100%	0%	80%	20%	1.00	1.40	n/a	n/a	n/a	n/a	1.08	1.00

	Local						Out of Area				Network Relativity	Network Relativity (Rescaled)
	% Local	% OOA	% In Network	% OON	In Net Factor	OON Factor	% In Network	% OON	In Net Factor	OON Factor		
HealthyBlue HMO Advantage (HMO with OOA)	80%	20%	100%	0%	1.00	1.40	100%	0%	1.13	1.95	1.03	0.91
HealthyBlue Advantage (HMO Opt Out with OOA)	80%	20%	80%	20%	1.00	1.40	80%	20%	1.13	1.95	1.12	1.00

Algorithm

Network relativity is the sum of:

Local In Network	=	% Local	*	% In Network	*	In Net Factor
Local Out of Network	=	% Local	*	% In Network	*	OON Factor
Out of Area In Network	=	% OOA	*	% OON	*	In Net Factor
Out of Area Out of Network	=	% OOA	*	% OON	*	OON Factor

HEALTHYBLUE HMO AND HMO Advantage

51+ Non-MSGR Fully Insured Groups

GROSS INDIVIDUAL MONTHLY PREMIUMS EFFECTIVE 1Q12 (Including New Business Discount)

Network Differences Between HB 2.0 and HB HMO/HB HMO Advantage

HB 2.0 \$300 deductible (existing rate):	\$ 317.34
Network factor going from POS to HMO:	<u>0.93</u>
HB HMO \$300 deductible:	\$ 294.16

HB Advantage \$300 deductible (existing rate):	\$ 397.05
Network factor going from Advantage to HMO Advantage:	<u>0.91</u>
HB HMO Advantage \$300 deductible:	\$ 362.89

HB 2.0 HSA \$1,500 deductible (existing rate):	\$ 264.44
Network factor going from POS to HMO:	<u>0.93</u>
HB HMO HSA \$300 deductible:	\$ 245.13

HB Advantage HSA \$300 deductible (existing rate):	\$ 331.81
Network factor going from Advantage to HMO Advantage:	<u>0.91</u>
HB HMO Advantage HSA \$300 deductible:	\$ 303.26

Actuarial Certification

I, Ed Butler, am the Actuary, Large Group Pricing with CareFirst BlueCross BlueShield of which CareFirst BlueChoice, Incorporated is a subsidiary. I am a member in good standing of the American Academy of Actuaries and meet the qualification standards required to make this certification. I have been involved in the development of these rates.

To the best of my knowledge and judgment, these rating methodologies comply with applicable District of Columbia laws and regulations, produce premiums that are reasonable in relation to benefits provided, and are based on sound and commonly accepted actuarial principles that are consistent with applicable Actuarial Standards of Practice, including ASOP No. 8, for the legal entity in aggregate.

The net impact of this filing is to maintain the existing rate structure of our medical contracts but to add the following changes:

- We are adding six products (cost sharing that mirror existing product cost sharing) but allow two new network choices
- Price for cost sharing differentials for ambulatory surgery when performed in a hospital versus an ambulatory surgery center.
- Price for cost sharing differentials for specialist office visit in a facility that has a facility charge.

This filing is being made to address BlueChoice contract changes that are filed as form numbers:

- DC/CFBC/HB/HMO EOC (1/13)
- DC/CFBC/HB/HMO DOCS (1/13)
- DC/CFBC/HB/HMO SOB (1/13)
- DC/CFBC/HB/HMO/WELLNESS (R. 7/13)
- DC/CFBC/HB/HMO/IPP GRP (1/13)
- DC/CFBC/HB/HMO/IPP MEM (1/13)

We are including our entire rate filing for your files.

Ed Butler

Digitally signed by Ed Butler
DN: cn=Ed Butler, o=CareFirst BlueCross
BlueShield, ou=Actuarial Pricing Department,
email=ed.butler@carefirst.com, c=US
Date: 2013.04.04 13:37:42 -0400

Ed Butler, FSA, MAAA